(c) whether this amount has since been recovered;

(d) the number of persons arrested in this regard and the details of the action being taken against them;

(e) whether the banking frauds have been steeply increasing and the involvement of bank employees have also come to light;

(f) if so, the details of bank frauds came to light during this year; and

(g) the concrete measures taken by the Government to check such frauds?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) to (d) Reserve Bank of India (RBI) has reported that a fraud involving Rs. 31.79 crores was reported by Dena Bank during the last week of June, 1997 at its Mumabi (Gulalwadl) branch. The fraud came to light when the bank initiated steps to reconcile huge difference in the balance with the central clearing department account at the Gulalwadi and the service branch. A group of companies had opened accounts both with Dena Bank's Gulalwadi branch as well as United Bank of India's Kalbadevi branch. Cheques drawn on the accounts in the United Bank of India Kalbadevi branch were deposited in their accounts with Gulalwadi branch of Dena Bank. The parties were unauthorisedly accommodated by Gulalwadi branch of Dena Bank by giving immediate credit to the account-holders and the intruments were sent for clearing with delay which in some cases was 7-10 days. The parties were also favoured unauthorisedly so as to have their cheques cleared through the clearing mechanism for high value clearing branches although the Gulalwadi branch did not fall in the area of high value clearing branches. 49 cheques aggregating to Rs.31.04 crores were afforded credit in November-December, 1996 and the cheques were not sent for clearing thereby fraudulently siphoning off banks funds. The branch copy of outward clearing schedules was also manipulated.

Two officers of the Gulalwadi branch of Dena Bank have been placed under suspension. The bank has initiated action to look into the role of other officers also. Central Bureau of Investigation have also registered a regular case in this regard and have arrested two officials of the bank as well as one private person.

(e) to (g) The number of frauds reported by public sector banks of the RBI during the years 1994, 1995 and 1996 were 2266, 1890 and 1954 respectively. The RBI has reported that during the quarter Ist January to 31st March,1997, 631 frauds have been reported by commercial banks.

The Public Sector Banks at the instance of Government and RBI have teken several steps from time to time for prevention of frauds. These steps include issue of comprehensive guidelines by RBI for strengthening the control mechanism in banks, review of fraud cases on a continual basis by RBI, advising the banks of modus-operandi in ingenious cases alongwith required safeguards to prevent their recurrence, proper training of operational personnel and investigations and scrutiny into reported cases of major frauds as well as snap inspections covering systems and procedures and control arrangements in fraud prone areas by the RBI.

Translation]

Textile Mills in Uttar Pradesh

2739. DR. SATYANARAIN JATIYA: Will the Minister of TEXTILES be pleased to state:

(a) the policy formulated for smooth functioning of textile industry in the country;

(b) the measures adopted for implementation of the said policy and the outcome thereof;

(c) the number of textile mills functioning as on June 30, 1997 in Madhya Pradesh alongwith the number of workers rendered jobless as a result thereof;

(d) the datails of the measures taken for the rehabilitation of the workers of Binod Bimal Mills in Ujjain;

(e) the amount of provident fund paid to these workers and the amount remained to be paid; and

(f) the time by which the remaining provident fund is likely to be paid to them?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA): (a) and (b) The present textile policy covers the different segments of textile industry in a comprehensive manner, and Government also constantly monitors the health of textile sector with a view to ensuring that the growth is not retarded in any manner and as and when there is a development in any segment of the textile industry requiring attention, appropriate measures are taken through policy interventions.

(c) As on 31.5.97, 21,091 workers have been rendered jobless due to closure of 9 mills in Madhya Pradesh.

(d) Government of India operates the Textile Workers' Rehabilitation Fund Scheme (TWRFS) to provide interim relief to workers rendered jobless due to premanent/ partial closure of the mills. The Scheme is applicable throughout the country.

(e) and (f) The matter pertains to State Government.

[English]

Purchase of Immovable Property by KVIC

2740. COL. SONA RAM CHOUDHARY: Will the Minister of INDUSTRY be pleased to state:

(a) whether the Government have received any proposal from Khadi & Village Industries Commission regarding purchase of immovable property;

(b) if so, the details thereof;